

MEETING NO. **4237**
JOURNAL OF PROCEEDINGS
BOARD OF TRUSTEES OF THE GENERAL RETIREMENT SYSTEM
OF THE CITY OF DETROIT
HELD **WEDNESDAY, JULY 03, 2019**

10:00 A.M.

RETIREMENT SYSTEMS CONFERENCE ROOM
ALLOY CENTER, 500 WOODWARD AVENUE; SUITE 3000
DETROIT, MICHIGAN 48226

TRUSTEES PRESENT

Wendell Anthony	Trustee
Scott Benson	Ex-Officio Trustee/City Council Member
Jermaine Brown	Trustee
Tasha L. Cowan	Trustee
Kimberly Hall-Wagner	Trustee
Christa Mclellan	Ex-Officio Trustee/City Treasurer
John Naglick	Ex-Officio Trustee/Finance Director
June Nickleberry	Trustee/Chairperson
Crystal Perkins	Trustee
Thomas Sheehan	Trustee/ Vice- Chairperson

TRUSTEES EXCUSED

None

TRUSTEES ABSENT

None

ALSO PRESENT

Gail A. Oxendine	Assistant Executive Director
Ryan Bigelow	Chief Investment Officer
Michael VanOverbeke	General Counsel
TaKneisha Johnson	Administrative Assistant IV

STAFF EXCUSED

David Cetlinski	Executive Director
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CHAIRPERSON

June Nickleberry

The Board's Recording Secretary took a verbal Roll Call at 10:04 a.m. and Chairperson Nickleberry called the meeting to order.

Present at Roll Call: *Jermaine Brown, Tasha L. Cowan, Kimberly Hall-Wagner and Thomas Sheehan*

Re: Legacy Plan Service Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for retirement from the **COMPONENT II (LEGACY) PLAN** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Gordon Adams – TEO - Transportation
SERVICE CREDIT	13-08
EFFECTIVE DATE	07-01-19

NAME, TITLE, DEPARTMENT	Jeanetta Y. Brown – Customer Service Rep – Water & Sewerage
SERVICE CREDIT	25-06
EFFECTIVE DATE	05-31-19

NAME, TITLE, DEPARTMENT	Michael J. Burns – Branch Custodian - Library
SERVICE CREDIT	25-02
EFFECTIVE DATE	04-14-19

NAME, TITLE, DEPARTMENT	Darrell Wayne Kirkwood – Field Service Worker – Water & Sewerage
SERVICE CREDIT	03-10
EFFECTIVE DATE	05-26-19

NAME, TITLE, DEPARTMENT	James C. Long – Security Officer – Water & Sewerage
SERVICE CREDIT	15-08
EFFECTIVE DATE	06-01-19

Re: Legacy Plan Service Retirement(s)- Continued

NAME, TITLE, DEPARTMENT	Sylvia K. Sibert-McLeod – Supervisory Clerk II - Finance
SERVICE CREDIT	28-06
EFFECTIVE DATE	05-21-19

NAME, TITLE, DEPARTMENT	Dortha Pitts – Customer Support - Library
SERVICE CREDIT	27-05
EFFECTIVE DATE	07-07-19

NAME, TITLE, DEPARTMENT	Mark A. Smola – EMS Spvr – Grade II – Fire (Civilian)
SERVICE CREDIT	24-09
EFFECTIVE DATE	06-10-19

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Vested Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **VESTED RETIREMENT** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Nuria E. Flowers – Playleader - SS - Recreation
SERVICE CREDIT	23-00
EFFECTIVE DATE	06-01-19

NAME, TITLE, DEPARTMENT	Lesley F. Knapp – Asst. Corporation Counsel - Law
SERVICE CREDIT	15-01
EFFECTIVE DATE	06-01-19

NAME, TITLE, DEPARTMENT	Artnia Vaughn – TEO - Transportation
SERVICE CREDIT	17-11
EFFECTIVE DATE	06-01-19

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Hybrid Retirement(s)

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **HYBRID RETIREMENT** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Gordon Adams – TEO - Transportation
SERVICE CREDIT	05-00
EFFECTIVE DATE	07-01-19

NAME, TITLE, DEPARTMENT	Dortha Pitts – Customer Support - Library
SERVICE CREDIT	05-00
EFFECTIVE DATE	07-07-19

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Change of Computation(s)

Motion By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the application(s) for **COMPUTATION CHANGE** as outlined below be hereby APPROVED:

NAME, TITLE, DEPARTMENT	Lavaughn Williams – TEO - Transportation
SERVICE CREDIT	10-00
EFFECTIVE DATE	06-10-19

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

RECEIPTS: The Board received the following receipts for Acknowledgment:

Cash Receipts
Company: RSCD-General

Cash Account: HYBLIQUES
Start Date: 6/10/2019
End Date: 7/1/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
6/14/2019	CA	Cash Entry	001693	Pre tax mandatory pension contribution 6-14-19	R/C	95,722.90
6/14/2019	CA	Cash Entry	001694	Post tax annuity contributions 6-14-19	R/C	81,883.49
6/21/2019	CA	Cash Entry	001722	Post Tax Annuity Contributions 6-21-19	R/C	164,872.58
6/21/2019	CA	Cash Entry	001723	Pre tax mandatory pension contributions 6-21-19	R/C	294,893.69
						637,372.66

Cash Receipts
Company: RSCD-General

Cash Account: LIQ RESERV
Start Date: 6/10/2019
End Date: 7/1/2019

Doc. Date	Module	Tran. Type	Doc. Nbr.	Description	R/C	Receipt
6/13/2019	CA	Cash Entry	001695	Loan Deduction Program 6-7-19 (\$38,829.82)	R/C	38,829.82
6/19/2019	CA	Cash Entry	001710	Loan Deduction Program 6-14-19(\$30,058.33)	R/C	30,058.33
6/24/2019	AR	Payment	000053	POA Annual DWSD Payment Due June 30, 2019 / Payments rec'd 6/20 & 6/24/19	R/C	45,400,000.00
6/27/2019	AR	Payment	000054	ANNUAL POA PAYMENT DUE FROM THE FOUNDATION FOR DETROIT'S F/R	R/C	375,000.00
6/28/2019	CA	Cash Entry	001738	Loan Deduction Program 6-21-19(\$36,979.84)	R/C	36,979.84
						45,880,867.99

Total Receipts

46,518,240.65

Re: Fees and Expenses

Resolution Moved By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

WHEREAS, the Board has been presented with the List of Disbursements for Board Approval which is referenced below requesting payment for Fees and Expenses, and

WHEREAS, the Board has been requested to approve payment of said Fees and Expenses;
THEREFORE BE IT

RESOLVED, that subject to staff audit and approval of all Legal Fees by the Board's General Counsel, the Board **APPROVE** payment of the following Fees and Expenses:

Disbursement Report				Page:	1 of 1
				Date:	7/1/2019 7:14 AM
Account	Payment Method	Currency			
LIQ RESERV	WIRE	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
Landmark Equity Partners XV, LP	070219	Capital Call	35,599.00		
THL CREDIT SELECT SERIES CLO EQUITY FUND	062419	Capital Call	273,609.35		
Cash Account/Payment Method Total:		2 Documents	309,208.35		
HUNT - VEN	ACH	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
8x8, INC.	2400513	Phone System Services	1,382.91		
ASYSCO	2019N026219	AMT Software License Renewal 8/1/19-7/31/20	17,131.89		
GABRIEL, ROEDER, SMITH & CO	447483	EDRO Calculations for Cornelius Palm	1,350.00		
GABRIEL, ROEDER, SMITH & CO	447494	EDRO Calculations for Kevin Nichols	1,050.00		
Office of the Chief Financial Officer	1037680	Wages & Benefits for City of Detroit Employees FY 18-	1,338,088.20		
Premier Parking (fka Ultimate Parking)	185815	Parking - July 2019	2,112.00		
Cash Account/Payment Method Total:		6 Documents	1,361,115.00		
HUNT - VEN	CHECK	US			
Vendor Name	Invoice Number	Invoice Description	Amount To Pay		
COMCAST	061719	High Speed Internet	179.91		
FEDEX	6-580-14486	FedEx Mailing	25.67		
FEDEX	6-588-08817	FedEx Mailing	41.77		
NEPC, LLC	2Q19391	Management Fees - 2nd Qtr '19	127,375.00		
QUILL CORPORATION	7970630	Office Supplies	268.83		
QUILL CORPORATION	7989852	Office Supplies	9.14		
RACINE & ASSOCIATES	12542	DGRS v. Capozzoli - May 2019	5,512.45		
RACINE & ASSOCIATES	12543	DGRS v. Gracia - May 2019	2,914.48		
SCANTRON	14478799	Toner Cartridge Supply	2,306.50		
THOMAS SHEEHAN	061219TS	Trustee Parking	87.00		
Cash Account/Payment Method Total:		11 Documents	141,465.75		

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Refunds of Accumulated Contributions (Annuity Savings Fund)

Resolution Moved By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the contributions to the Annuity Savings Fund by members of the General Retirement System, as set forth:

List No. 7419 - \$185,137.15

List No. 7420 - \$351,302.91

Including interest, be **REFUNDED**, pending audit by the Retirement Systems' Accounting Staff.

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Employee Loan Program June 26, 2019

Resolution Moved By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the disbursements for the Employee Loan Program by members of the General Retirement System, as set forth in the amount of: **\$51,974.00** including interest, be hereby **APPROVED**.

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

Re: Minutes/Journal No. 4235 – (06/05/19)

Resolution Moved By: Trustee Sheehan - Supported By: Trustee Hall-Wagner

RESOLVED, that the Minutes/Journal of Proceedings of the General Retirement System of the City of Detroit, of Meeting **No. 4235**, held on **June 05, 2019**, be hereby **APPROVED** as recorded and submitted.

Yeas: Brown, Cowan, Hall-Wagner, Sheehan and Chairperson Nickleberry – 5

Nays: None

Open Forum

Chairperson Nickleberry opened the meeting for public discussion:

Retiree Ravi Saxeena addressed the Board regarding the following:

- ASF Recoupment effecting pension payment
 - Staff will look into Mr. Saxeena's concern and update him accordingly
- ***Trustee Christa Mclellan and Trustee John Naglick entered the Boardroom at 10:10 a.m.***
- ***Trustee Crystal Perkins entered the Boardroom at 10:11 a.m.***
- ***Trustee Scott Benson entered the Boardroom at 10:12 a.m.***

CHIEF INVESTMENT OFFICER'S REPORT

Chief Investment Officer, Ryan Bigelow, in addition to his formal report, discussed the following matters with the Board:

- June 30, 2019 Black and Blue
- The Board's Investment Consultant N.E.P.C./New England Pension Consultants will be in attendance at the Board's next meeting (July 17th, 2019)
- Life Assurance Fund update
- General Investment Committee will meet on Monday July 15th, 2019
 - New England Pension Consultants and Townsend will be in attendance
 - Republic Underwriters will also be in attendance to discuss Fiduciary Liability Coverages
- Lou Vogt of Banyan Advisors will attend the first Board meeting in August
- Meeting with Gateway is July 24th, 2019

Re: Life Assurance Fund- Approval of Payments: Kimberly Hall-Wagner moved to approve the payment of policies, when due, to be split 50/50 with the Police and Fire Retirement System. John Naglick supported. The motion passed unanimously.

Re: Life Assurance Fund Engagement: Kimberly Hall-Wagner moved to approve the engagement of a service provider to obtain additional information on the insured. We estimate the cost of the engagement to be approximately \$5-10k per month. John Naglick supported. The motion passed unanimously.

Open Forum

Chairperson Nickleberry opened the meeting for public discussion:

Retiree Judy Washington addressed the Board regarding the following:

- Equated pension payment; Ms. Washington had the following questions for the Board of Trustees:
 - What was my current pension payment at the time of bankruptcy ballot?
 - What was the math formula used for the amount on my ballot?
 - What was the math formula used for all pension ballots?
 - Why and when did the Pension Department move from the Coleman A. Young Municipal Center?
 - What was the Director's salary prior to March 2019; amount of 1st step and amount of 2nd step and total present salary?
 - How much is the expense account for Board members?
 - Request for copies of June 2019 Board Minutes
 - Ms. Washington presented an additional list of questions that she provided to Staff for follow-up.

PRESENTATION:

Gabriel, Roeder, Smith and Company

Representatives Kenneth Alberts and Judith Kermans discussed the following with the Board:

- Funding Policy
 - Gabriel, Roeder, Smith and Company recommendation: Update the funding tool based on the 2018 valuation results and reissue the March 2018 supplemental report and come back to the Board for a working session when complete.

GENERAL COUNSEL'S REPORT

General Counsel Michael VanOverbeke, discussed the following matters with the Board:

- **Service Provider Disclosure Policy**
 - Retirement System staff requested that this office draft a follow-up letter to be sent to those investment service providers that have failed to disclose all fees and other compensation associated with their relationship to the Retirement System as required by Michigan law. All of the Retirement System's service providers are also required to annually disclose political contributions made to an elected official of the City of Detroit.
- **Nel L Dent v Claud L. Dent**
 - This office is in receipt of an entered DRO in this matter. We have reviewed the entered Order and have certified that it complies with applicable law and plan provisions and have prepared a resolution for the Board's adoption
- **Lori M. Hill v. Gary T. Hill**
 - This office is in receipt of an entered DRO in this matter. We have reviewed the entered Order and have certified that it complies with applicable law and plan provisions and have prepared a resolution for the Board's adoption
- **Public Comment;** Mr. Saxeena ASF recoupment concern was addressed and explained. General Counsel will follow-up and check to see if Mr. Saxeena was mailed the correspondence from KCC for lump sum payment option.

GENERAL COUNSEL'S REPORT- cont'd

Re: Nel L. Dent v. Claud L. Dent
Wayne County Circuit Court Case No. 18-105199-DO

Resolution Moved By: Trustee Mclellan - Supported By: Trustee Benson

WHEREAS, the Board of Trustees is in receipt of a Domestic Relations Order for the General Retirement System of the City of Detroit (the "Order"), dated May 1, 2019, wherein Nel L. Dent, the Alternate Payee, is awarded certain rights to the benefits of Claud L. Dent, the Participant, and

WHEREAS, pursuant to the terms of the Order, the Alternate Payee is entitled to a portion of the Participant's defined benefit portion of his retirement allowance payable from the Retirement System,

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order and the Board will pay pension benefits consistent with the order as soon as administratively feasible, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and further

RESOLVED, that copies of this resolution be sent to Claud L. Dent, the Participant; Nel L. Dent, the Alternate Payee; and Lawrence Coogan, Esq., attorney for the Alternate Payee.

Yeas: Anthony, Benson, Brown, Cowan, Mclellan, Naglick, Perkins
and Chairperson Nickleberry— 8

Nays: None

GENERAL COUNSEL'S REPORT- cont'd

Re: Lori M. Hill v. Gary T. Hill

Macomb County Circuit Court Case No. 18-8183-DO

Resolution Moved By: Trustee Mclellan - Supported By: Trustee Benson

WHEREAS, the Board of Trustees is in receipt of a First Amended Domestic Relations Order for the General Retirement System of the City of Detroit (the "Order"), dated June 6, 2019, wherein Lori M. Hill, the Alternate Payee, is awarded certain rights to the benefits of Gary T. Hill, the Participant, and

WHEREAS, pursuant to the terms of the Order, the Alternate Payee is entitled to a portion of the Participant's defined benefit portion of his retirement allowance payable from the Retirement System,

WHEREAS, said matter had been discussed with legal counsel who has opined that the applicable terms of said court order are consistent with the provisions of the Retirement System and applicable law, therefore be it

RESOLVED, that the Board acknowledges receipt of said court order and the Board will pay pension benefits consistent with the order as soon as administratively feasible, and further

RESOLVED, that a copy of this resolution be immediately attached as the top sheet of the pension file and other appropriate records be kept for the Retirement System relative to this matter, and further

RESOLVED, that copies of this resolution be sent to Gary T. Hill, the Participant; Lori M. Hill, the Alternate Payee; and Philip G. Vera, Esq., attorney for the Alternate Payee.

Yeas: Anthony, Benson, Brown, Cowan, Mclellan, Naglick, Perkins
and Chairperson Nickleberry— 8

Nays: None

NEW BUSINESS/OLD BUSINESS

- Michigan Institutional Forum
- MAPERS Conference rooms are limited. Trustees who will be in attendance/planning to attend are advised to secure their rooms ASAP.

Re: Markets Group/ Michigan Institutional Forum October 10, 2019

Resolution Moved By: Trustee Anthony Supported By: Trustee Naglick

Resolved, that the Board approve the attendance of any interested Trustee, The Executive Director, The Assistant Executive Director and General Counsel at the aforementioned conference/forum, **and BE IT FURTHER**

Resolved, that the Board approve expenditures for any interested Trustee, the Executive Director, The Assistant Executive Director and General Counsel to attend said conference/forum, **and BE IT FURTHER**

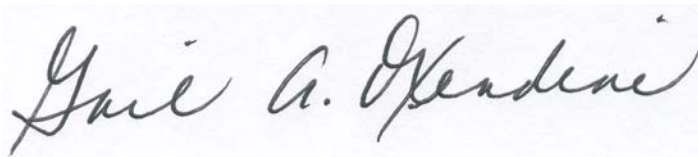
Resolved, that a copy of said forum brochure be provided to Retirement System Staff member JoAnn Harrison. The resolution passed unanimously.

ADJOURNMENT

Trustee Anthony moved to adjourn meeting #4237; Trustee Sheehan supported.

There being no further business before the Board, **Chairperson Nickleberry** adjourned the meeting at 12:21 p.m. The Board's next meeting is scheduled for **Wednesday, July 17th, 2019**, at 10:00 a.m. in the Retirement System's Conference Room; 500 Woodward Avenue Suite 3000; Detroit, Michigan 48226.

RESPECTFULLY SUBMITTED,

A handwritten signature in cursive script, reading "Gail A. Oxendine", written in dark ink on a light-colored background.

GAIL A. OXENDINE, ASSISTANT EXECUTIVE DIRECTOR